

Message Text

CONFIDENTIAL

PAGE 01 GENEVA 03203 281911 Z

46

ACTION NEA-12

INFO OCT-01 IO-13 ADP-00 AGR-20 CIAE-00 COME-00 EB-11

INR-10 LAB-06 NSAE-00 RSC-01 STR-08 TRSE-00 CIEP-02

OMB-01 SS-15 NSC-10 L-03 RSR-01 /114 W

----- 077658

R 281750 Z JUN 73

FM USMISSION GENEVA

TO SECSTATE WASHDC 0100

INFO AMEMBASSY NEW DELHI

C O N F I D E N T I A L GENEVA 3203

FOR AMBASSADOR MOYNIHAN

EO 11652: GDS

TAGS: ETRD: GATT

SUBJ: INDO/ US BILATERAL TEXTILE TALKS

REF: STATE 124950

MET WITH INDIANS THIS MORNING TO CONTINUE NEGOTIATIONS
STARTED IN DELHI LAST WEEK. BOTH SIDES REPEATED NECESSITY
TO CONCLUDE MUTUALLY FAVORABLE ARRANGEMENT TO IMPROVE RELA-
TIONS BEYOND SPECIFIC SUBJECT OF TEXTILES.

INDIAN SIDE PROPOSED TERMS THAT WERE QUITE HIGH. IN FACT,
IN ONE CASE, HIGHER THAN THAT EXPRESSED IN DELHI. NEVERTHE-
LESS, US SIDE ARRIVED AT FORMULATION WHICH WENT A CONSID-
ERABLE WAY TO MEETING BOTH ECONOMIC AND POLITICAL PROBLEMS.
US SIDE MADE CLEAR THAT OUR PROMPT COUNTER PROPOSAL WAS
MOST GENEROUS AND FORTHRIGHT IN VIEW OF POLITICAL NECESSITY
AND THEREFORE WE DO NOT WANT TO ENGAGE IN NORMAL PROTRACTED
BARGAINING PROCESS.

IT APPEARS INDIAN SIDE DID RECOGNIZE GENEROSITY AND
SINCERITY OF US PROPOSAL AND, AFTER A FEW CLARIFYING
QUESTIONS, SAID THEY WOULD CONTACT DELHI FOR THEIR RESPONSE.
THERE WAS NO ATTEMPT TO HAGGLE OVER US COUNTER PROPOSAL.

REQUEST YOU CALL IN INDIAN AMBASSADOR TO URGE HIS IN-
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 GENEVA 03203 281911 Z

TERVENTION NEW DELHI TO ASSURE PROMPT ACCEPTANCE US OFFER.

FYI: ESSENTIALS OF US OFFER ARE AS FOLLOWS:

(A) INCREASE AGGREGATE LEVEL BEGINNING NEXT AGREEMENT YEAR (10/1/73 - 9/30/74) TO 145 MILLION SQDS., WITH MORE THAN PROPORTIONAL GROUP LIMIT INCREASE FOR GROUP I TO 120 MILLION SQDS.

(B) EXEMPTION HANDLOOM PRODUCTS OF COTTAGE INDUSTRY SUBJECT TO AGREEMENT ON DESCRIPTION AND CERTIFICATION PROCEDURE AS WELL AS TO GENERALIZED CONSULTATION PROCEDURE IN EVENT MARKET DISRUPTION.

(C) GRANT OF 15 MILLION SQDS. ONE SHOT IN FABRIC CATEGORIES OF GREATEST INTEREST TO INDIA.

(D) PROVISION FOR REPEAT IN AGREEMENT YEAR BEGINNING 10/1/74 OF 5 MILLION YD. ONE SHOT " BARRING ACTUAL OR PROSPECTIVE SIGNIFICANT DOWNTURN IN US MARKET." AND US WILLINGNESS CONSIDER ADDITIONAL 10 MILLION YD. ONE SHOT, IN SAME CATEGORIES FOR SAME YEAR.

(E) BILATERAL TO RUN FOUR YEARS BEGINNING 10/1/73

(F) INDIA TO GIVE FULLY SUPPORT TO US POSITION GATT TEXTILE WP ON MULTILATERAL- MULTIFIBER TEXTILE ARRANGEMENT TO BE COMPLETED BY 12/31/73.

PARTS A), B), AND E) TO BE IMPLEMENTED SOONEST, WITH PARTS (C) AND D) POSSIBLY TO B E ANNOUNCED JANUARY 1974 RE PART C), HOWEVER, GOI MAY LICENSE FULL 15 MILLION YDS FOR EXPORT AS THOUGH AGREEMENT AMENDED TO PROVIDE THEREFORE.

IN LIGHT OTHER FORTHCOMING RELATED BILATERAL NEGOTIATIONS, THE ABOVE EMBODIED IN CONFIDENTIAL MEMORANDUM OF UNDERSTANDING WHICH MUST BE HANDLED CAREFULLY.

WILL ADVISE INDIAN RESPONSE AS SOON AS IT IS RECEIVED.
BASSIN

CONFIDENTIAL

NNNNMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 28 JUN 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973GENEVA03203
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: n/a
Film Number: n/a
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730632/aaaajtcm.tel
Line Count: 98
Locator: TEXT ON-LINE
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 73 STATE 124950
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 03 OCT 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03-Oct-2001 by thigpegh>; APPROVED <03-Dec-2001 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> srp 980304
Subject: INDO/ US BILATERAL TEXTILE TALKS
TAGS: ETRD, GATT
To: NEA
SECSTATE WASHDC INFO NEW DELHI
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005